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TAGS: [PGOV](#) [PREL](#) [ENRG](#) [BO](#)

SUBJECT: DESPITE RHETORIC, MOSCOW NOT TO PUSH MINSK HARD

REF: MINSK 479

Classified By: AMBASSADOR GEORGE KROL FOR REASONS 1.4 (B, D)

¶1. (C) During a recent conversation with Pol/Econ Chief, Vladimir Pavlenko, Counselor for Internal Political Affairs in the Russian Embassy, noted that despite strong statements from Gazprom, the Kremlin would not allow gas prices to stand in the way of an "extremely close alliance with Belarus."

¶2. (C) When Pol/Econ Chief commented that Russia seemed willing to sacrifice its historically close relationship with Belarus to exact from Lukashenko economic concessions, Pavlenko responded that his government would not allow gas prices to lead to economic instability in Belarus. He explained that Russia was keenly aware of the relationship between gas prices and Belarus's economic stability, and therefore Belarus would face only a moderate rise in the price to at most USD 72/tcm (up from USD 46.68/tcm). Pavlenko conceded that Russia is not completely satisfied with Lukashenko. However, he noted the past elections "proved" Lukashenko is the undisputed leader in Belarus and there are no "realistic challengers," thus strongly suggesting that Russia will continue to support the devil it knows.

¶3. (C) Comment: Pavlenko's comments seem consistent with Russia's long-standing approach to Belarus. Against the backdrop of the Orange and Rose Revolutions, Russia cannot afford political or economic instability in another former Soviet republic, especially in neighboring Belarus. This fear of "losing" Belarus is likely why Moscow waited until just after the March elections to announce impending increases in gas costs. Moscow now seems to find itself in the delicate situation of trying to extract more revenue from Gazprom's sales to Belarus, while not causing a collapse in the Belarusian economy. Putin's widely rumored dislike of Lukashenko is likely to cause Russia to deal sharply with Minsk, but at the same time it is doubtful the Kremlin wants to force Lukashenko from power and risk Belarus following Ukraine out of Russia's orbit.
Krol